Amendments

Kindly amend the claims to read as follows:

1 (currently amended).   A method of hedging investment risk in an actively managed exchange traded fund, comprising:

receiving or determining factor information about the actively managed exchange traded fund holdings, wherein one or more computers programmed with factor analysis software determine the factor information, which measures sensitivities of the fund holdings to factors that affect the value of the fund holdings, **and the factor information does not reveal the fund holdings**; and

using one or more computers with the factor information as an input to select a portfolio of financial instruments to produce a hedging portfolio with substantially the same sensitivities to the factors that affect the value of the fund holdings,

wherein the specific securities in the actively managed exchange traded fund are unknown to an entity who uses the hedging portfolio to hedge against an investment in the actively managed exchange traded fund.

2 (previously presented).   The method of claim 1 wherein the hedging portfolio tracks the price of the fund.

3 (previously presented).   The method of claim 1 further comprising:
using the hedging portfolio to hedge a position taken in the exchange traded fund.

4 (previously presented).   The method of claim 1 further comprising:

applying factor analysis to the portfolio of the exchange traded fund to determine the sensitivity of the fund to the factors.

5 (previously presented).   The method of claim 3 wherein the applying step occurs in a trusted computer system.

6 (previously presented).   The method of claim 1 wherein the factors include economic activity, inflation rates or other factors that are related to measures of economic activity.

7 (previously presented).   The method of claim 1 further comprising:

   selecting a group of securities, and

   constructing the hedging portfolio based upon weightings and selections of securities from the group of securities.

8 (currently amended).   A computer program product residing on a computer readable medium for hedging investment risk in actively managed exchange traded funds comprising instructions for causing a computer to:

   receive or determine factor information about the actively managed exchange traded fund holdings, wherein the factor information measures sensitivities of the fund to factors that affect the price of the fund holdings **and the factor information does not reveal the fund holdings**; and

   select a portfolio of financial instruments to produce a hedging portfolio with substantially the same sensitivities to the factors that affect the value of the fund holdings,

wherein the specific securities in the actively managed exchange traded fund are unknown to an

entity who uses the hedging portfolio to hedge against an investment in the actively managed

exchange traded fund.

9 (previously presented).   The computer program product of claim 8 wherein the hedging

portfolio tracks the price of the fund.

10 (previously presented).   The computer program product of claim 8 further comprising

instructions to:

   use the hedging portfolio to hedge a position taken in the exchange traded fund.

11 (previously presented).   The computer program product of claim 8 further comprising

instructions to:

   apply factor analysis to the exchange traded fund to determine the sensitivity of the fund

holdings to the factors.

12 (previously presented).   The computer program product of claim 11 wherein the factor

analysis is applied in a trusted computer system.

13 (previously presented).   The computer program product of claim 8 wherein the factors

include economic activity, inflation rates or other factors that are related to measures of

economic activity.

14 (previously presented).   The computer program product of claim 8 further comprising

instructions to:

   select a group of securities, and

construct the hedging portfolio based upon weightings of and selections from the group of securities.

15 (currently amended).   A computer system for producing a hedging portfolio for hedging investment risk in actively managed exchange traded funds, comprising:

a trusted computer system; and

a computer storage medium storing a computer program product for determining the basket of instruments for hedging investment risk, comprising instructions for causing the computer to:

receive or determine factor information about the actively managed exchange traded fund holdings, wherein the factor information measures sensitivities of the fund holdings to factors that affect the price of the fund, **and the factor information does not reveal the fund holdings;** and

select a portfolio of financial instruments to produce a hedging portfolio with substantially the same sensitivities to the factors that affect the value of the fund,

wherein the specific securities in the actively managed exchange traded fund are unknown to an entity who uses the hedging portfolio to hedge against an investment in the actively managed exchange traded fund.

16 (previously presented).   The system of claim 15 wherein the computer program further comprises instructions to:

use the hedging portfolio to hedge a position taken in the exchange traded fund.

17 (previously presented).   The system of claim 15 further comprising instructions to:

apply factor analysis to the exchange traded fund to determine the sensitivity of the fund holdings to the factors.

18 (previously presented).   The system of claim 15 wherein the factors include economic activity, inflation rates or other factors that are related to measures of economic activity.

19 (previously presented).   The system of claim 15 wherein the computer program further comprises instructions to:

select a group of securities, and

construct the hedging portfolio based upon weightings of and selections from the group of securities.

20 (currently amended).   A method of calculating an intra-day value proxy for an actively managed exchange traded fund, comprising:

producing a hedging portfolio to track an actively managed exchange traded fund by receiving or determining factor information about the fund holdings, wherein one or more computers programmed with factor analysis software determine the factor information, which measures sensitivities of the fund holdings to factors that affect the price of the fund, **and the factor information does not reveal the fund holdings**;

using one or more computers with the factor information as an input to select a portfolio of financial instruments to produce a hedging portfolio with substantially the same sensitivities to the factors that affect the value of the fund; and

applying current prices to the hedging portfolio to determine the intra-day value proxy value for the exchange traded fund.